

REMARKS

With the addition of claims 36-40, claims 1, 4-6, 8-11, 15-17, 19-24, 26, 28, 29, and 35-40 are now pending in the above-referenced application and are submitted for the Examiner's reconsideration. Before proceeding to the merits of the Office Action, Applicant would like to clarify which version of the claims are currently pending before the Patent Office. In the appendix to the Appeal Brief, Applicant mistakenly replaced the latest amended version of certain of the claims with their original versions. For instance, instead of including the amended version of claim 1, which was already entered by the Patent Office, Applicant erroneously included the original version of this claim. Applicant apologizes for any confusion or inconvenience caused by this error. In this Amendment, Applicant has correctly included the latest version of each pending claim that has been amended, as entered by the patent Office.

Regarding the objection to the specification, Applicant submits that the amendment to the specification has obviated this objection.

Regarding the rejection of the claims under 35 U.S.C. § 112, ¶2, the rejection first centers on the use in these claims of the grammatical construction “at least one of...” limitations A and B. This phraseology is equivalent to stating A “and/or” B. Accordingly, nothing indefinite is conveyed by this particular language. Next, the rejection asserts that the use of “tender” in the claims is indefinite. The Examiner supports this conclusion by stating that “the Examiner must be able to understand from the claim language what Applicant means by the term ‘tender.’” To the extent that this statement of the Examiner means that claims must be understood based solely on the claim language, the statement is mistaken. Claims are to be evaluated in view of both the language of the claim and the teachings of the specification. The specification discusses in detail what a “tender” is, for example, at the paragraph beginning at page 11, line 1. Since one of ordinary skill in the art could understand the term “tender” in light of the specification, the claims are not indefinite based on the recitation of this term.

Claims 1, 4, 11, 17, 26, and 35 stand rejected under 35 U.S.C. §103(a) as being unpatentable over PCT Publication No. WO 99/05629 to Borgato (“Borgato”). Claims 5, 6, 8-10, 15, 16, 19-24, 28, and 29 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Borgato in view of United States Patent No. 6,421,653 to May (“May”). Applicant has amended each of the independent claims to recite that the term of the at least one tender that is created or modified by an exception originating from a tender recipient relates to a physical characteristic of the particular commodity. Support for this amendment is found at least at page 7 of the specification. None of the art that the Examiner has relied on teaches this feature. In discussing

Borgato, Applicant shall refer to the text of the priority US patent for this PCT publication, namely, United States Patent No. 5,950,178. Although Borgato is directed to a system for facilitating the trading of multi-variable commodities such as diamonds, the Borgato system has no capacity to allow users to make exceptions that are directed to changing or creating terms of a tender pertaining to the physical characteristics of the commodity. The Borgato system provides at a "clearing house" a host processor 12 that is "programmed and configured to establish a first data structure 14 for arranging and storing various data relating to diamonds to be offered for sale as well as other data concerning those diamonds." Column 5, lines 25-45. The data included in data structure 14 may include information relating to the cut, clarity, color, etc., of the diamonds to be sold. Column 6, lines 55-58 ("Thus, the first data structure 14 can define each unique diamond by determining the weight class 16a-16g, cut shape subclass 18a-18e, cut grade sub-subclass 20a-20e and color and clarity."). Once this physical characteristic information is in the data structure 14, it cannot be modified or supplemented with additional information by any user of the system who makes a bid on the diamonds represented in the data structure 14. The only information storage that a potential buyer using the Borgato system can affect is the price information. If a buyer makes a bid that is lower than the offered price, the buyer's bid will be stored in the host processor 12. Column 14, line 14, to column 15, line 4. Thus, the entry of bids by buyers can affect the information stored at the host processor pertaining to an offered diamond, but only insofar as it relates to non-physical information such as price. A buyer cannot enter a bid that seeks to alter in any way the information pertaining to the cut, clarity, color, etc. of the stone on which he is bidding. Therefore, Applicant submits that claims 1, 4, 11, 17, 26, and 35 are patentable over Borgato.

As for May, since May does not overcome the deficiencies noted above with respect to Borgato, withdrawal of the rejection of claims 5, 6, 8-10, 15, 16, 19-24, 28, and 29 is requested as well.

Before concluding this reply, Applicant would like to address the art that the Examiner relied on when the feature of requesting an exception was first recited in the claims. Specifically, the Examiner relied on three references, namely, United States Patent No. 5,285,383 to Lindsey et al. ("Lindsey"), United States Patent No. 5,950,178 to Borgato (which serves as the priority disclosure for, and is the same in content as, the Borgato PCT publication), and United States Patent No. 5,168,446 to Wiseman ("Wiseman"). The last time the Examiner considered the feature of requesting exceptions to a tender, in the Office Action dated July 17, 2003, the Examiner conceded that Lindsey did not teach this limitation and went only so far with respect to Borgato as to assert that Borgato related to a multi-variable commodity. Thus, Wiseman was the

only reference of these three believed by the Examiner to teach the exception limitation as it was recited at the time of that prior Office Action. Applicant submits that the Examiner should not renew her reliance on Wiseman for the currently amended claims because Wiseman does not teach the exception request feature that is currently recited. Specifically, although Wiseman permits trading parties to use the system taught therein to negotiate over the terms of a quote, the scope of the negotiations permitted by Wiseman is limited to the price and amount of the transaction. Column 3, lines 59-63 ("The trading party may also seek to negotiate the terms of the quote by transmitting one of several pre-programmed responses to induce the counterparty to alter the bid or offer prices or change the amount of the transaction.")). No provision is made in the negotiations that can occur through the Wiseman system for requesting modifications to terms pertaining to the physical characteristics of the underlying commodity. Accordingly, Applicant submits that the claims as now amended are also patentably distinguishable over the references relied on by the Examiner when the claims first recited an exception request feature.

Applicant has added several new claims that are the same in substance but depend from different claims. Each of these claims recites that the tender initiator is enabled to reject a requested exception. Support for these new claims is found at least at page 18, lines 2 -5, of the specification. Applicant submits that none of the references relied on by the Examiner teaches or suggests the invention of these claims. Specifically, none of the references discussed in this response teaches or suggests enabling the tender initiator to reject the exception. Moreover, these new dependent claims are also patentable for the same reasons given above in support of their respective independent claims.

In light of the foregoing, Applicant respectfully submits that all of the pending claims are in condition for allowance. Prompt reconsideration and allowance of the present application are therefore earnestly solicited.

Respectfully submitted,
KENYON & KENYON

Dated: 10/04/05

By: Dervis Magistre
Dervis Magistre
Reg. No. 41,172

One Broadway
New York, NY 10004
(212) 425-7200